

---

## Judiciary Committee

---

### HB 2491

**Title:** An act relating to authorizing online tax lien foreclosure sales.

**Brief Description:** Authorizing online tax lien foreclosure sales.

**Sponsors:** Representatives Holy, Riccelli, Sawyer, Johnson, Santos, Shea, Vick, Moscoso, Condotta and Takko.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Authorizes county treasurers to conduct tax lien foreclosure sales online.</li></ul>
--



**Hearing Date:** 1/30/14

**Staff:** Cece Clynch (786-7195).

**Background:**

Tax Lien Foreclosure Sales.

After three years from the date of property tax delinquency, the county treasurer may begin foreclosure proceedings to recover past due property taxes. The first step in the process is issuance of a certificate of delinquency, for the total amount of unpaid taxes, interest, and assessments, which is then filed with the clerk of the court. Certificates of delinquency may be issued in one general certificate in book form including all property, and the proceedings to foreclose the liens against several properties may be brought in a single action with all persons interested in any of the property named as defendants in the action.

Notice and summons are served or given to the owners and any person having a recorded interest in, or recorded lien upon, the property, notifying them to appear within 30 days after service and defend the action or pay the amount due. The court examines each application for judgment foreclosing a tax lien, as well as any defenses. Following court proceedings, the court gives judgment for such taxes, interest, and costs as appear to be due and issues an order for the sale of

---

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

the property against which judgment is made. This order provides authority for the sale of the property.

The county treasurer must sell the property to the highest and best bidder for cash. The minimum bid is the total amount of taxes, interest, and costs. All sales shall be made at a location in the county, on a date and time selected by the treasurer, and continue from day to day during the same hours until all lots or tracts are sold. Sales may not be conducted on Saturdays, Sundays, and holidays. Ten successive days prior notice of the sale is required, by posting in three public places in the county, one of which must be in the office of the treasurer.

Property may be redeemed at any time before the close of business the day before the sale by payment of the amount for which the certificate of delinquency was issued, together with interest, and any taxes, interest and costs accruing after issuance of the certificate of delinquency. No fee is charged for redemption. Minors and incompetent persons have three years after the date of the sale to redeem.

If the sale is for more than the minimum bid, the excess must be refunded to the record owner of the property if a refund application is made. If the county does not receive the required minimum bid, the county acquires title.

**Summary of Bill:**

**Tax Lien Foreclosure Sales.**

A county treasurer is authorized to conduct tax lien foreclosure sales via an internet web site, as follows:

- The sale may last for a period of a day, or more, as determined by the treasurer.
- It may not start or end on a Saturday, Sunday, or holiday.
- Designated start and end times are between 8 a.m. and 5 p.m.
- Notice of the online sale must be:
  - published in a newspaper of general circulation in the county at least once 14 days prior to the sale;
  - prominently posted on the county's web site for at least 10 days prior to sale; and
  - electronically mailed to subscribers of any legal notice listserv hosted by the county at least once 10 days prior to the sale.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.